

The Effect Of Organizational Culture On Employee Performance Mediated By Person-Organization Fit, Organization Commitment, And Employee Engagement In The Millennial Generation In Companies Badan Usaha Milik Negara

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Abstract.

This study was conducted to determine the perceptions of BUMN employees who are categorized as millennials about the influence of organizational culture on Employee performance, with an interesting indicator to study, namely Counter Productive Work Behaviour. As well as whether a Person's organizational fit, organizational commitment, and employee engagement mediate the influence of organizational culture on employee performance. The research method used is a descriptive method with a quantitative approach. The data collection method used is by distributing questionnaires through the Google Forms link. The questionnaire was distributed to each cluster for 4 weeks and assisted by the administration of each BUMN cluster. Respondents who filled out the link in the google form were 403 but those who entered the appropriate criteria were 366. The data was obtained and analyzed using Structural Equation Modelling (SEM). The results of research conducted on 10 BUMN clusters aimed at analyzing the effect of Organisation Culture on Employee Performance through Person Organisation Fit, Organisation Commitment, and Employee Engagement where most of the respondents were female (86%) with a Bachelor's degree (54%), and executors or low management (81%), found that: There is a positive influence of corporate culture on employee performance, person-organization fit, and employee engagement but no effect on organization commitment. There is a positive influence on person.

Keywords: Organization culture, employee performance, counter productive work behavior, person Organization Fit, Organizational Commitment and Employee engagement.

I. INTRODUCTION

In human resource development, employee performance in a company is very necessary to achieve its performance and also for the success of the company. Qualified and capacitated human resources will affect organizational goals (Ganis, et al. 2022). Employee performance is an issue that not only companies around the world understand but also triggers a lot of research in the field of management, and various companies (Koopmans, 2021). Performance is the most important and studied variable in industrial management and organizational behavior. It can be defined as individual behaviors that people perform and can be observed - which produce value for the organization and contribute to the organization's goals. Performance can also be understood as achievement-related behavior with several evaluative components, namely the extent to which an employee meets general organizational performance expectations Angeles Lopez-Cabarcos et al, (2021). One measurement of employee performance indicators that is important and needs research is Counter-Productive Work Behaviour. Many factors that are considered to strongly influence the relationship between employee performance and organizational culture are person organization fit, organization commitment, and employee engagement (Bhardwaj & Kalia, 2021). BUMN are currently facing one of the challenges in terms of managing their employees, namely how to optimise workers who come from the millennial generation so that they can become the future backbone of the Company.

II. LITERATURE REVIEW

Employee performance

Performance comes from the word job performance or actual performance which means work performance or real achievement achieved by someone. The definition of performance is the quality and quantity of work achieved by an employee in carrying out his functions according to the responsibilities given to him. According to Al Mehrzi and Singh (2016) performance is the result or level of success of a

person as a whole during a certain period in carrying out tasks compared to various possibilities, such as work standards, targets or goals, or predetermined criteria that have been mutually agreed upon..

Counterproductive Work Behavior (CWB)

There are several definitions of Counterproductive Work Behaviour proposed by several experts. There are two definitions from two experts that are most often used as references, namely Bennett Robinson and Spector. According to Bennett Robinson (Carpenter et al., 2021), Counterproductive Work Behavior is a situation where employees are less motivated to meet social expectations of social norms or are motivated to oppose these expectations, by committing acts of violation of organizational norms or disturbing people in it. Another definition states that Counterproductive Work Behavior is intentional behavior that harms or intends to harm the organization and its members (Carpenter et al., 2021).

Dimensions of Counterproductive Work Behaviour

Counterproductive Work Behaviour has two dimensions. 1) The first dimension is Counterproductive Work Behavior Organizational (CWB-o), which is a behavior that directly threatens or endangers the organization, such as stealing company goods. 2) The second dimension is interpersonal Counterproductive Work Behavior (CWB-i), which is a behavior that directly threatens or endangers individuals in the organization, such as the behavior of ridiculing colleagues

Organisational Culture

In this study, the definition of Organisational Culture uses the Competing Values Framework (CVF) developed by Quinn and Rohrbaugh (1983). The framework distinguishes four types of culture: Clan, Adhocracy, Market, and Hierarchy.

Dimensions of Organisational Culture

- 1) Market Culture emphasizes a production-oriented organization and is more about togetherness than self-interest.
- 2) Clan Culture, is a highly personal organization, where there is cohesion, participation, teamwork, and a family-like feeling.
- 3) Hierarchy Culture, an organization that emphasizes structured and formal rules.
- 4) Adhocracy Culture/adhocracy/informal culture, is a highly dynamic organization, where there is entrepreneurship, creativity, and adaptability (Piet Moonen, 2017).

Person organisation fit

Person-Organisation fit is defined as compatibility between people and organizations that occurs when at least one entity provides what the other needs or has similar fundamental characteristics or both (Kontor, 2019). The fit between employees and organizations is related to a variety of behavioral outcomes such as job satisfaction, employee commitment, retention, and performance, (Kontor, 2019).

Organizational Commitment

Organizational commitment is described as the strength of an individual's bond with the organization or behavioral actions resulting from individual commitment. Organizational commitment is defined as the psychological commitment that individuals feel toward the organization.

Dimensions of Organizational Commitment

Organizational commitment is described as the strength of an individual's bond with the organization or behavioural actions resulting from organizational commitment in three dimensions, namely affective commitment, Employees with affective commitment stay with the organisation because employees want it continuance commitment, employees who have continuance commitment stay because employees need to normative commitment, employees with normative commitment stay because employees feel they have to right from individual commitment. Organizational commitment is defined as the psychological commitment that individuals feel towards the organization.

Employee Engagement

Engaged employees are described as individuals who are involved, enthusiastic, and committed to their work and who positively contribute to their organisation. These employees have better in-role and extra-role performance, more innovative behavior, higher employee effectiveness, lower absenteeism, and

low intention to leave the job, In contrast, disengaged employees report feeling unhappy at work and are not actively engaged in their work.

Dimensions of Employee Engagement

Dimensions of Employee Engagement using the Q12 Gallup index where four dimensions of employee engagement underlie Gallup's Q12 measurement tool, namely, Basic Needs. This dimension measures how employees perceive the company's ability to fulfill their basic needs. Management and Support. This dimension tries to measure how employees feel about contributing and supporting the company. Teamwork. This dimension tries to measure how much employees feel part of the team, Growth. This dimension attempts to measure how employees can grow.

II. METHODS

The questionnaires were distributed to each cluster over a period of 4 weeks with administrative assistance from each SOE cluster. In collecting data, respondents were asked to fill in several statements with the help of a survey team of enumerators. Respondents who filled in the link in the Google form as many as 403 but those who entered the appropriate criteria were 366 data obtained and analyzed using Structural Equation Modelling (SEM). In this study, researchers selected 10 BUMN clusters which were the subjects of the research based on the ease of finding subjects, and the following data were obtained

Table 10. Clusters BUMN

	Cluster BUMN	responden	%	2021- BUMN Manpower
1	Industri Mineral dan Batubara klaster pangan dan pupuk	9	2%	17247
2	Industri Energi, Minyak dan Gas	13	3%	20863
3	Jasa asuransi dan dana pensiun	17	4%	9154
4	Jasa Infrastruktur	68	17%	35687
5	Jasa Keuangan	124	31%	161038
6	Jasa Logistik	29	7%	105150
7	Jasa Pariwisata dan Pendukung	53	13%	31369
8	Klaster Kesehatan	51	13%	14364
9	Klaster Manufaktur	24	6%	21054
10	Klaster Perkebunan dan Kehutanan	15	4%	146150
Total		403		562076

<https://www.bumn.go.id/portofolio/aset/Tenaga%20Kerja>

No	Indikator	Item	rejected	item	rejected
1	EmployeePersormance (EP)	18	5	13	Valid
2	Organization culture (OC)	24	Valid	24	Valid
3	Person Organization Fit - (POF)	5	Valid	5	Valid
4	Organization CommM)itment(OCM)	18	6	12	Valid
5	Employee Enggagement (EE)	12	Valid	12	Valid

Validity Test Table

Reliability Test Results

No	Indikator	Item	Cronbach's Alpha1	Cronbach's Alpha 2	Remark
1	EmployeePersormance (EP)	18	0.755	-	reliable
2	Organization culture (OC)	24	0.951	0.904	reliable
3	Person Organization Fit - (POF)	5	0.858	-	reliable
4	Organization CommM)itment(OCM)	18	0.821	0.959	reliable
5	Employee Enggagement (EE)	12	0.913		reliable

<i>Goodness of fit index</i>	<i>Calculation Results</i>	<i>Criteria (cut-off value)</i>	<i>Conclusions</i>
X^2 (Chi-square)	2.328	Expected to be small	Poor Fit
Significance probability	0	$\geq 0,05$	Poor Fit
RMSEA	0.06	$\leq 0,08$	Goodness of fit
NFI	0.706	$\geq 0,90$	Poor Fit
RFI	0.695	$\geq 0,90$	Poor Fit
IFI	0.808	$\geq 0,90$	Marginal Fit
TLI	0.8	$\geq 0,90$	Marginal Fit
CFI	0.807	$\geq 0,90$	Marginal Fit
GFI	0.69	$\geq 0,90$	Poor Fit
AGFI	0.669	\leq GFI	Goodness of fit

Test Table Goodness of Fit

IV. RESULT AND DISCUSSION

From the results of research conducted on 10 BUMN clusters aimed at analyzing the effect of Organisation Culture on Employee Performance through Person Organisation Fit, Organisation Commitment, and Employee Engagement where most of the respondents are female (86%) with S1 education (54%), and executors or low management (81%), it was found that: Organisation Culture affects Employee Performance through Person Organisation Fit and Employee Engagement but not through Organisation Commitment. There is a positive influence of corporate culture on employee performance, person-organization fit, and employee engagement, but does not affect organization commitment. There is a positive influence of person organization fit on organization commitment, but no effect on employee engagement. There is a positive influence between organization commitment and employee engagement. Employee performance is directly influenced by personal organization fit and employee engagement but not by organization commitment.

Theory Testing Table (Direct)

<i>Variabel</i>	<i>Estimasi Beta</i>	<i>Tstat</i>	<i>P Value</i>		<i>Results</i>
			<i>(One tailed), alpha 5% dan alpha 10%</i>		
OC→EP	0.447	4.04	0,000/2 = 0,000		H1 Supported
OC→POF	0.946	10.591	0,000/2 = 0,000		H2 Supported
OC→OCM	0.099	0.959	0.338/2 = 0,169		H3 Not Supported
OC→EE	0.514	5.484	0,000/2 = 0,000		H4 Supported
POF→EP	0.154	1.299	0.194/2 = 0,097		H5 Supported
OCM→EP	-0.129	-1.481	0.139/2 = 0,069		H6 Not Supported
EE→EP	0.319	4.06	0,000/2 = 0,000		H7 Supported
POF→OCM	0.832	7.687	0,000/2 = 0,000		H8 Supported
POF→EE	-0.052	-0.496	0.620/2 = 0,310		H9 Not Supported
OCM→EE	0.415	5.606	0,000/2 = 0,000		H10 Supported

Theory Testing Table (indirect)

<i>Hipotesa</i>	<i>Estimate</i>	<i>P-Value</i>	<i>Remark</i>
(OC→POF→EP) Person Organization Fit (POF) mediates the effect between Organization Culture (OC) on Employee Performance (EP)		0.00016	(Alpha 5%) H11 Supported
(OC→OCM→EP) Organisational Commitment (OCM) mediates the influence between Organisational Culture (OC) on Employee Performance (EP).		0.34983	(Alpha 5%) H12 Not Supported
(OC→EE→EP) Employee Engagement (EE) mediates the influence between Organisation Culture (OC) on Employee Performance (EP).		0.00118	(Alpha 5%) H13 Supported

V. CONCLUSION

Conclusion

The results of research conducted in 10 BUMN clusters which aim to analyze the effect of Organisation Culture on Employee Performance through Person Organisation Fit, Organisation Commitment, and Employee Engagement where most of the respondents are female (86%) with a Bachelor's degree (54%), and executors or low management (81%), Organisation Culture affects Employee Performance through Person Organisation Fit and Employee Engagement but not through Organisation Commitment. There is a positive influence of corporate culture on employee performance, person-organization fit, and employee engagement, but does not affect organization commitment. There is a positive influence of person organization fit on organization commitment, but no effect on employee engagement. There is a positive influence between organization commitment and employee engagement. Employee performance is directly influenced by personal organization fit and employee engagement but not by organization commitment.

Theoretical Implications

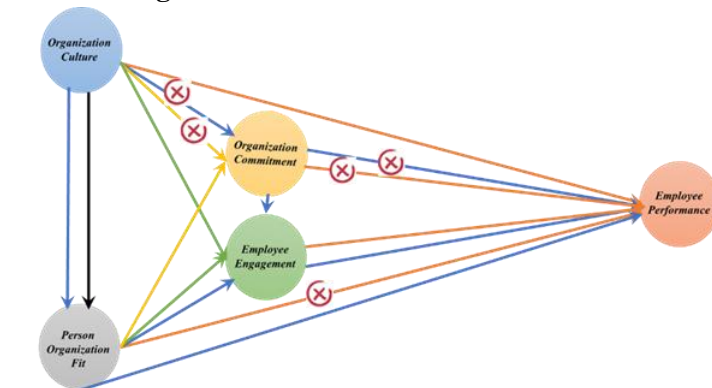
Furthermore, based on the results of the study, it is known that the factors that affect employee performance are Organisation culture, person-organization fit, and employee engagement, while organization commitment is found not to affect employee performance.

This research is expected to contribute theory to the development of science, namely:

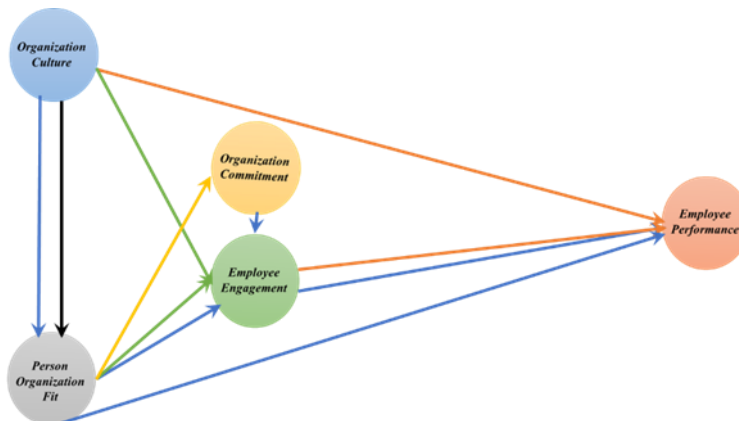
1. Factors that affect employee performance are Organization culture, person-organization fit and employee engagement,
2. Factors that do not affect employee performance are organization commitment.
3. Organisation culture does not have a positive effect on organization commitment
4. Organizational commitment does not play a role in mediating the influence of organizational culture on employee performance
5. Proposing a Model of Research Results on the influence of Organisation Culture on Employee Performance in BUMN to enrich theoretical literature.

This research produces a new model, which differs from the proposed model as follows:

Model of Research Findings



Proposed Research Results Model



Managerial Implications

From the results of the study, it was found that to improve employee performance it is necessary:

1. Improve organizational culture from Clan culture towards organizational culture Market, by applying the concept of High-Performance Work System.
2. Open up the system in human resources through the development of a Human Resources Information System that is integrated with employee development strategies.

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